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CURRENT MINNESOTA LABOR MARKET CONDITIONS

March 1986 Supplement to the Review of Labor and Economic Conditions

Prepared by the Research & Statistics Office, MN Dept. of Jobs & Training, 390 N. Robert St., St. Paul, MN, 55101, in cooperation with the U.S. Dept. of Labor, Bureau of Labor Statistics, Employment & Training Admin.

Nation

Most economic reports for February suggested that the Nation's economy was sluggish. However, economists believe that the economy will pick up as the effects of falling oil prices, declining interest rates, and the dropping dollar are felt.

The labor market picture appeared to be quite dismal in February as the unemployment rate jumped, and total employment as well as employment in all three of the goods producing sectors dropped. However, much of the 0.6 of a percentage point rise in the unemployment rate was attributed to bad weather in the agricultural areas of California, the slumping oil industry in Texas and layoffs in manufacturing in Illinois. Bad weather caused part of the decline in total employment by reducing agricultural employment and also some of the drop in goods employment by curtailing construction activity. The large drop in mining employment was largely the result of falling oil prices. Imports were blamed for much of the February decrease in manufacturing employment which came after four months of increases.

February developments in other barometers also seemed to be indicative of a sluggish economy. Retail sales, industrial production and housing starts all experienced declines in February, and except for the payment of utility bills, personal spending would have declined in February.

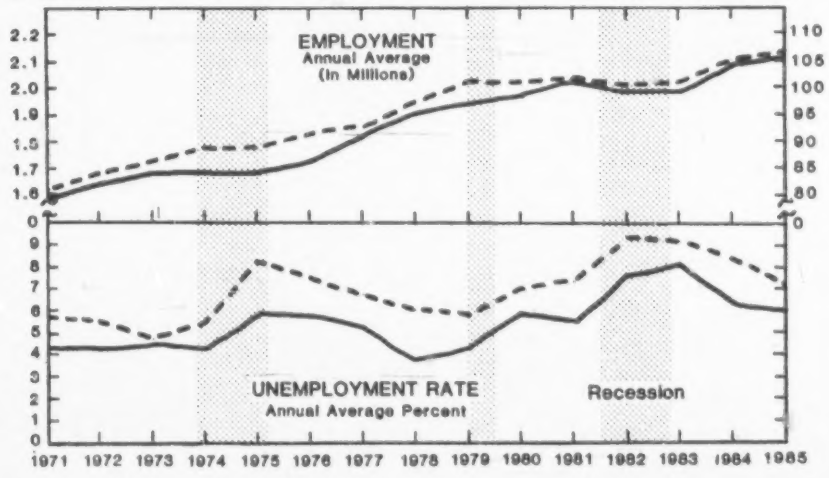
State

The Minnesota economy improved somewhat in February as the unemployment rate edged down and both total and nonfarm payroll employment rose satisfactorily. Economists in the State expect the economy to grow modestly in the coming months.

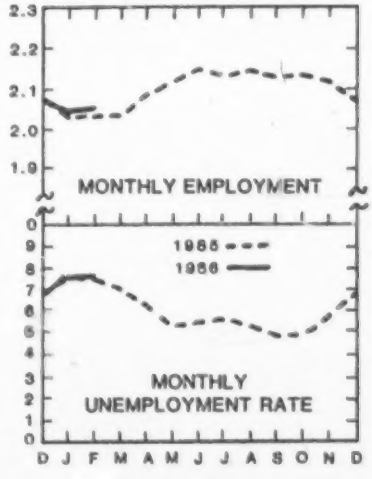
Minnesota's seasonally adjusted unemployment rate dropped 0.1 of a percentage point to 6.3 percent in February after generally rising from 5.5 percent in May 1985. The rate was 6.2 percent in February 1985. Also, seasonally adjusted total employment rose by a healthy 16,900 in February after a gain of 14,200 in January. Adjusted total employment had declined in five of the previous eight months. Meanwhile, seasonally adjusted nonfarm employment climbed by a moderate 3,400 in February following a gain of 5,300 in January. The largest over-the-month increases were 1,700 in retail trade and 1,600 in nondurable goods manufacturing employment. Employment in durable goods manufacturing employment fell by 1,500, largely as a result of a further decline in computer manufacturing and an unexpected drop in transportation equipment employment. Over-the-year, payroll employment was up by 31,700 as very strong gains in services, government, trade, and finance-insurance-real estate offset declines in mining and manufacturing. A large part of the over-the-year drop of 9,700 in durable goods manufacturing employment was in the computer industry.

Labor Force Estimates	MINNESOTA (Numbers in Thousands)			UNITED STATES (Numbers in Millions)		
	February 1986	Change From Last Mo.	Change From Year Ago	February 1986	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2,224.5	15.7	36.4	115.7	0.3	2.1
Employed	2,056.5	17.4	29.4	106.7	-0.3	2.0
Unemployed	168.1	-1.7	7.0	9.0	0.6	0.1
Unemployment Rate						
Actual	7.6	-0.1	0.2	7.8	0.5	0.0
Seasonally Adjusted	6.3	-0.1	0.1	7.3	0.6	0.0

MN and the U.S., Employment & Unemployment Rate



MN, 1985 and 1986



Labor Market Conditions

MINNESOTA NONAGRICULTURAL WAGE & SALARY EMPLOYMENT, HOURS & EARNINGS

Industry	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	Feb. 1986	Jan. 1986	Feb. 1985	Jan. 1986	Feb. 1985	Feb. 1986	Feb. 1985	Feb. 1986	Feb. 1985	Feb. 1986	Feb. 1985
Total Nonagricultural	1,844.7	1,840.5	1,813.5	0.2	1.7						
Manufacturing	364.9	364.2	373.2	0.2	-2.2	412.27	401.98	10.23	9.95	40.3	40.4
Durable Goods	217.9	218.9	227.5	-0.4	-4.2	425.14	413.00	10.42	10.00	40.8	41.3
Lumber and Furniture	16.7	16.3	16.1	2.2	3.6	413.64	411.03	11.06	10.76	47.4	38.2
Stone, Clay and Glass	6.0	6.2	6.8	-3.8	-11.5	413.83	362.14	10.53	10.23	39.3	35.4
Primary Metals	6.2	6.1	6.3	1.4	-0.9	365.51	376.98	9.23	9.15	39.6	41.2
Fabricated Metals	36.0	36.2	35.5	-0.5	1.4	471.09	453.28	11.49	10.87	41.0	41.7
Nonelectrical Machinery	84.1	84.8	94.3	-0.8	-10.8	443.31	448.64	10.76	10.29	41.2	43.6
Office and Computing	43.1	43.9	50.2	-1.9	-14.2	471.38	502.09	11.25	10.66	41.9	47.0
Electrical Machinery	27.0	27.1	28.9	-0.5	-6.5	332.86	303.42	8.28	7.78	40.2	39.0
Transportation Equipment	7.6	7.6	7.1	0.2	7.4	515.64	499.10	12.19	11.58	42.3	43.1
Scientific Instruments	28.5	28.6	27.2	-0.6	4.6	418.16	402.55	9.77	9.70	42.8	41.4
Miscellaneous Manufacturing	5.8	5.8	5.4	-0.9	8.2	416.64	342.24	9.92	9.29	42.0	36.7
Nondurable Goods	147.0	145.3	145.7	1.2	0.9	395.21	387.30	9.98	9.88	39.6	39.2
Food and Kindred	42.1	40.7	42.2	3.3	-0.2	363.71	342.54	9.07	8.65	40.1	39.6
Textiles and Apparel	4.3	4.3	4.5	0.0	-4.6	249.83	228.05	6.68	6.37	37.4	35.8
Paper and Allied	32.3	32.5	33.0	-0.5	-2.2	503.71	496.48	11.88	11.60	42.4	42.8
Printing and Publishing	44.0	43.8	42.3	0.6	4.1	374.98	381.24	10.08	10.59	37.2	36.0
Chemicals and Petroleum	10.2	10.1	9.9	1.2	3.5	465.45	443.07	11.27	10.94	41.3	40.5
Rubber, Plastic and Leather	14.0	13.9	13.8	0.8	1.5	335.71	325.75	8.63	8.31	38.9	39.2
Nonmanufacturing	1,479.8	1,476.3	1,440.3	0.2	2.7						
Mining	6.4	6.1	6.8	5.1	-6.1	536.84	543.11	13.73	13.41	39.1	40.5
Metal Mining	5.2	4.9	5.6	6.0	-7.4	561.99	563.00	14.41	14.04	39.0	40.1
Construction	55.9	58.3	53.2	-4.1	5.2	552.66	575.27	15.10	15.59	36.6	36.9
Transport., Comm., & Pub. Util.	97.7	97.4	96.3	0.3	1.4						
Transportation	64.2	64.0	62.3	0.3	3.0						
Trucking and Warehousing	26.2	26.0	25.5	0.9	2.9	392.04	391.47	12.10	11.48	32.4	34.1
Communication and Public Util.	33.5	33.4	34.0	0.3	-1.5	552.42	535.01	13.88	13.21	39.8	40.5
Trade	455.4	459.1	447.5	-0.8	1.7	232.67	222.59	7.73	7.52	30.1	29.6
Wholesale	114.5	114.8	114.1	-0.3	0.3	408.72	366.82	10.40	9.73	39.3	37.2
Retail	340.9	344.3	333.4	-1.0	2.2	181.39	179.79	6.62	6.61	27.4	27.2
Building Materials	15.6	15.8	15.6	-1.3	0.2	323.57	312.56	8.56	8.54	37.8	36.6
General Merchandise	49.1	51.0	49.2	-3.7	-0.2	170.02	168.30	6.44	6.28	26.4	26.8
Food Stores	46.0	46.0	45.0	0.0	2.4	200.55	200.04	7.24	7.17	27.7	27.9
Automotive	38.4	38.2	37.1	0.5	3.6	329.12	325.44	8.80	8.99	37.4	36.2
Apparel	17.3	17.9	17.2	-3.4	0.9	122.75	124.58	5.48	5.37	22.4	23.2
Home Furnishings	14.3	14.5	13.4	-0.8	6.8	233.73	240.85	7.35	7.54	31.8	31.8
Eating and Drinking	113.6	113.7	110.7	-0.1	2.6	104.88	100.10	4.58	4.55	22.9	22.0
Fin., Insur., Real Est.	112.8	112.5	107.4	0.3	5.1						
Finance	53.1	52.8	51.1	0.6	3.9						
Insurance	41.5	41.4	39.2	0.4	6.1						
Real Estate	18.1	18.3	17.0	-1.1	6.5						
Services	435.0	433.4	422.2	0.4	3.0						
Personal Services	21.8	21.5	21.1	1.2	3.1						
Business Services	78.1	77.9	75.7	0.3	3.2						
Repair Services	19.2	19.2	18.3	0.0	4.8						
Health Services	140.2	140.3	138.1	-0.1	1.5						
Hospitals	42.9	49.1	50.0	-12.6	-14.1						
Nursing Homes	40.2	40.3	39.7	-0.3	1.1						
Legal Services	12.9	12.8	11.9	0.8	8.3						
Private Education	26.1	25.3	25.1	3.2	3.6						
Government	316.6	309.5	307.0	2.3	3.1						
Federal	32.8	32.6	31.2	0.4	5.0						
State	79.9	78.4	77.7	1.9	2.9						
Education	44.6	43.3	43.0	3.0	3.9						
Local	203.9	198.4	198.1	2.8	2.9						
Education	110.2	104.8	106.3	5.2	3.7						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full and part-time production or nonsupervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Labor Market Conditions

Characteristics of the Insured Unemployed

Tables 1 and 2 provide data on persons who filed a claim for unemployment compensation in Minnesota during the month. Only those claiming benefits from the regular State program are represented since data on the characteristics of Federal employees and veterans are not available.

Although the total number of claimants for unemployment benefits rose by only 356 or 0.5 percent between January and February, the number of claimants fell in each of the Februarys of the past three years and the average January to February change over the past eight years was a 1.1 percent decline. The largest over-the-month increase in both numerical and percentage terms was in construction where claimants rose by 1,680 or 8.1 percent. The average January to February rise in construction claimants over the past eight years was 5.6 percent. On the other hand, claimants in manufacturing dropped faster than they usually do in February declining by 1,025 or 5.6 percent. Manufacturing claimants on average fall by 4.9 percent in February. Over-the-year, claimants rose by 3,406 or 5.3 percent. The largest over-the-year increases were in manufacturing (1,665), services (987) and retail trade (739).

Table 1. Distribution of Insured Unemployed, by Age and Sex,

Age Groups	Number	Percent Distributions		
		Men of Totals	Men of Men	Women of Women
TOTALS	**67,839**	**78.5**	**100.0**	**100.0**
Under 45	51,510	79.0	76.5	74.0
Under 25	11,415	78.3	16.8	17.0
25-34	25,261	80.5	38.2	33.8
35-44	14,834	77.2	21.5	23.2
45 and Over	16,329	76.7	23.5	26.0
45-54	9,371	77.2	13.6	14.6
55 and Over	6,958	76.1	9.9	11.4

TABLE 2. Distribution of Insured Unemployed by Industry and Occupation,

Industry and Occupational Attachment	Number	Percent of Total	Percent Long-Term1/ Unemployed	Women as Percent of Total
Total, All Industries	**67,839**	**100.0**	**14.8**	**21.5**
Ag., For., Fish.	2,134	3.2	10.7	10.9
Mining	3,337	4.9	5.7	3.2
Construction	22,344	32.9	4.8	2.6
Manufacturing	17,231	25.4	22.7	32.7
Public Utilities	3,0[illegible]	4.5	13.0	14.3
Wholesale Trade	3,505	[illegible]	20.4	19.8
Retail Trade	6,125	9.0	[illegible]	39.5
Finance, Insurance, Real Estate	1,139	1.7	28.5	[illegible]
Services	7,037	10.4	23.7	47.9
Public Admin.	1,172	1.7	23.2	28.6
Info. Not Available	765	1.1	2.1	26.6
Total, All Occupations	**67,839**	**100.0**	**14.8**	**21.5**
Prof., Tech., Mgr.	6,530	9.6	28.1	34.7
Clerical	4,806	7.1	24.8	77.6
Sales	2,106	3.1	24.0	34.5
Services	3,237	4.8	25.6	53.6
Farm., For., Fish.	1,771	2.6	13.3	10.8
Processing	2,507	3.7	15.9	36.3
Machine Trades	4,111	6.1	23.5	12.9
Benchwork	5,779	8.5	23.2	52.8
Structural Work	24,221	35.7	6.1	1.8
Miscellaneous	12,583	18.5	9.9	8.0
Info. Not Available	188	0.3	12.9	18.6

1/ Long-Term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.

Job Service Applicant Supply and Demand

Table 3 compares Job Service (J.S.) job applicants with the J.S. job openings that existed at the end of the month. These comparisons are expressed as supply/demand ratios. Other things being equal, the greater the ratio of applicants to openings, the greater the competition has been for work within that occupational category. To put these ratios into context, the reader must remember that not only do job seekers and employers in general find jobs or recruit workers through other means, but those interested in certain kinds of jobs are particularly unlikely to use the J.S. For example, workers seeking professional and Managerial jobs are least likely to use the J.S., wehereas employers usually recruit construction workers through union halls and hire teachers directly. Thus, the main value of Table 3 is that it reflects, for broad occupational groups, the relative labor market conditions that those using the J.S. encountered when seeking work.

Table 3. Experienced Supply/Job Openings Demand

Occupation	Applicants (Supply) Feb. 1986	Job Openings (Demand) Feb. 1986	Supply/Demand Ratio	
			Feb. 1986	Feb. 1985
Total	**96,178**	**10,019**	**9.6**	**10.1**
Prof., Tech., Mgr.	11,798	1,264	9.3	9.3
Clerical	15,539	2,156	7.2	7.0
Sales	5,044	1,023	4.9	4.1
Domestic Services	1,402	102	13.7	14.2
Other Services	14,780	2,826	5.2	6.0
Farm., Fish., For.	2,163	118	18.3	35.0
Processing	1,781	309	5.8	9.7
Machine Trades	6,938	387	17.9	19.1
Benchwork	7,058	312	22.6	11.8
Structural Work	13,502	438	30.8	48.0
Mtr. Frght., Trans.	4,460	432	10.3	16.0
Pkg. & Mat. Hndlg.	10,813	584	18.5	26.5
Other	900	68	13.2	28.5

1/ Inexperienced and improperly coded job applicants are not included in this table.

Analysis of Local Conditions

MINNEAPOLIS-ST. PAUL MSA

By Bruce Steuernagel

The Twin Cities metropolitan area jobless rate was 5.5 percent in February, unchanged from the January figure. The direction of change in the unemployment rate is difficult to predict between January and February. Over the past 16 years, the rate has decreased 10 times, increased four times and stayed the same twice. The labor force increased by 0.8 percent between January and February, considerably more rapidly than it usually does (0.3 percent). Both the number of employed and unemployed increased more rapidly than usual during the month which indicates that although the job market may be showing some signs of renewed strength, jobs are not being created rapidly enough to handle all of those seeking work.

An over the year comparison indicates that layoffs by a large local computer firm and immigration from rural Minnesota may be combining to cause more rapid labor force and unemployment growth. The Twin Cities labor force was 3.6 percent higher in February than a year ago. This rate is considerably faster than the 2.4 percent growth rate which happened between February 1984 and 1985. In stark contrast, labor force in the balance of Minnesota, has dropped by 1.0 percent or nearly 9,000 in the past year. One must assume that some of those people, especially younger and more mobile workers, have moved to the Twin Cities, where job opportunities are more prevalent. Unemployment has risen most rapidly in the Twin Cities area in the cities of Bloomington and Minneapolis, up 28.7 percent and 17.5 percent respectively. The only metro area county to register a drop in the unemployment rate over the past year was Washington county.

The number of nonagricultural wage and salary jobs increased in February, but the growth was not uniform across all industries. The manufacturing sector once again was hit by layoffs. The number of manufacturing jobs is down from a year ago by 3.2 percent in the Twin Cities and 0.7 percent in the Nation. The electronics and computer industry, which is extremely important in the local economy, has experienced a greater relative cutback in jobs than at a national level. In February, local employment in electrical and nonelectrical machinery was 11.3 percent lower than last year while nationally it has dropped only 3.5 percent.

Although greater than seasonal job losses were registered in the construction industry, the year ahead is promising due to low interest rates. Government payrolls increased in February, but not as much as they normally do. On a seasonally adjusted basis, jobs were added in retail trade, firance/insurance/real estate, and service industries.

LABOR FORCE ESTIMATES

AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	Feb. 1986	Jan. 1986	Feb. 1985	Feb. 1986	Jan. 1986	Feb. 1985	Feb. 1986	Jan. 1986	Feb. 1985
Minneapolis-St. Paul MSA*	1,328,447	1,318,385	1,282,301	72,846	72,459	65,194	5.5	5.5	5.1
REGION 11	1,230,971	1,221,245	1,188,181	64,585	64,135	57,562	5.2	5.3	4.8
Anoka	126,629	125,507	121,957	7,864	7,686	6,834	6.2	6.1	5.6
Carver	23,463	23,267	22,630	1,347	1,326	1,192	5.7	5.7	5.3
Dakota	127,403	126,472	123,184	7,155	7,180	6,623	5.6	5.7	5.4
Hennepin	574,063	569,195	553,465	28,061	27,537	24,206	4.9	4.8	4.4
Ramsey	277,713	275,632	268,436	14,306	14,320	13,107	5.2	5.2	4.9
Scott	28,813	28,597	27,778	2,276	2,271	2,055	7.9	7.9	7.4
Washington	72,887	72,575	70,731	3,576	3,815	3,545	4.9	5.3	5.0
Chisago*	17,067	16,948	16,486	1,540	1,545	1,435	9.0	9.1	8.7
Isanti*	15,246	15,118	14,698	1,269	1,252	1,150	8.3	8.3	7.8
Wright*	38,430	38,099	37,074	3,537	3,484	3,251	9.2	9.1	8.8
St. Croix, WI	26,733	26,975	25,862	1,915	2,043	1,796	7.2	7.6	6.9
Bloomington	49,860	49,498	47,852	2,494	2,509	1,938	5.0	5.1	4.0
Minneapolis	212,960	211,116	205,101	11,206	10,967	9,534	5.3	5.2	4.6
St. Paul	158,619	157,591	153,455	8,907	9,070	8,334	5.6	5.8	5.4

* Chisago, Isanti and Wright counties are a part of the Minneapolis/St. Paul-MN-WI MSA, but are included in Region 7.

Analysis of Local Conditions

MPLS-ST. PAUL NONAGRICULTURAL WAGE & SALARY EMPLOYMENT, HOURS & EARNINGS

Industry	EMPLOYMENT 1/ (thousands)			PERCENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS 2/					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	Feb. 1986	Jan. 1986	Feb. 1985	Jan. 1986	Feb. 1985	Feb. 1986	Feb. 1985	Feb. 1986	Feb. 1985	Feb. 1986	Feb. 1985
Total Nonagricultural	1,211.7	1,210.6	1,186.7	0.1	2.1						
Manufacturing	251.6	252.7	259.9	-0.5	-3.2	451.00	434.66	11.00	10.55	41.0	41.2
Durable Goods	159.7	160.7	166.6	-0.6	-4.2	460.79	442.04	11.05	10.45	41.7	42.3
Lumber and Furniture	7.4	7.2	6.9	1.9	6.8	456.82	451.97	12.28	11.77	37.2	38.4
Stone, Clay and Glass	2.3	2.5	2.6	-10.0	-12.8	422.22	363.21	11.35	9.79	37.2	37.1
Primary Metals	5.0	4.9	4.9	1.9	1.4	386.13	376.06	9.15	9.04	42.2	41.6
Fabricated Metals	29.7	29.7	28.6	0.1	3.7	509.46	481.62	12.13	11.44	42.0	42.1
Nonelectrical Machinery	65.2	65.9	73.6	-1.1	-11.5	477.34	468.69	11.53	10.58	41.4	44.3
Office and Computing	33.8	34.5	39.3	-2.1	-14.0	515.73	514.68	12.25	10.79	42.1	47.7
Electrical Machinery	16.2	16.2	18.2	-0.4	-11.5	350.43	318.30	8.91	8.12	40.7	39.2
Transportation Equipment	4.6	4.7	4.0	-1.3	14.0	659.84	640.78	14.19	13.93	46.5	46.0
Scientific Instruments	25.4	25.6	24.0	-0.6	5.8	431.54	414.75	9.83	9.97	43.9	41.6
Miscellaneous Manufacturing	4.0	4.0	3.6	0.0	12.3	423.58	369.75	9.54	9.86	44.4	37.5
Nondurable Goods	91.9	92.1	93.3	-0.2	-1.5	451.00	420.33	11.00	10.75	41.0	39.1
Food and Kindred	17.6	17.7	17.8	-0.5	-1.3	425.54	397.47	10.43	9.79	40.8	40.6
Textiles and Apparel	1.7	1.8	2.2	-1.5	-19.3	258.59	237.83	6.53	6.57	39.6	36.2
Paper and Allied	25.2	25.3	25.9	-0.2	-2.4	475.78	472.21	11.52	11.27	41.3	46.9
Printing and Publishing	30.3	30.4	29.9	-0.6	1.2	411.26	405.41	10.88	11.42	37.8	35.5
Chemicals and Petroleum	8.5	8.4	8.3	1.4	2.9	519.98	482.40	12.41	12.00	41.9	40.2
Rubber, Plastic and Leather	8.6	8.5	9.3	0.8	-7.9	380.42	372.49	9.68	9.22	39.3	40.4
Nonmanufacturing	960.2	957.9	926.8	0.2	3.6						
Mining	-	-	-	-	-						
Metal Mining	-	-	-	-	-						
Construction	39.8	41.8	37.0	-4.8	7.5	603.67	596.95	16.63	16.31	36.3	36.6
Transport., Comm., & Pub. Util.	68.6	68.5	65.6	0.1	4.5						
Transportation	47.2	47.1	43.8	0.1	7.6						
Trucking and Warehousing	16.4	16.3	15.4	0.6	6.8	382.43	393.28	12.92	12.29	29.6	32.0
Communication and Public Util.	21.4	21.4	21.8	0.1	-1.9	519.92	486.16	13.40	12.76	38.8	38.1
Trade	297.6	299.9	287.4	-0.8	3.5	250.06	240 [illegible]	8.28	8.14	30.2	29.5
Wholesale	78.1	78.2	77.8	-0.2	0.4	431.54	389.33	10.87	10.41	39.7	37.4
Retail	219.5	221.7	209.6	-1.0	4.7	194.92	192.78	7.14	7.14	27.3	27.0
Building Materials	9.0	9.1	8.6	-1.3	4.8	344.28	332.51	9.33	9.16	36.9	36.3
General Merchandise	36.0	37.3	35.4	-3.7	1.5	179.67	180.61	6.78	6.64	26.5	27.2
Food Stores	26.3	26.4	25.7	-0.2	2.6	243.25	239.93	8.75	8.36	27.8	28.7
Automotive	22.9	22.6	21.6	1.1	6.1	365.39	370.19	10.01	10.17	38.5	36.4
Apparel	11.5	11.6	11.4	-1.2	1.2	111.41	118.33	5.28	5.33	21.1	22.2
Home Furnishings	10.4	10.5	9.2	-1.1	12.5	190.74	253.74	6.51	7.88	29.3	32.2
Eating and Drinking	73.8	74.0	69.6	-0.3	6.0	112.04	95.67	4.85	4.67	23.1	20.7
Fin., Insur., Real Est.	86.9	86.7	82.1	0.3	5.9	334.02	325.13	8.01	8.74	41.7	37.2
Finance	36.8	36.5	35.6	0.8	3.5	382.62	332.87	9.11	9.17	42.0	36.3
Insurance	34.7	34.6	32.8	0.2	5.6	-	-	-	-	-	-
Real Estate	15.4	15.5	13.7	-0.6	12.6	221.74	218.71	7.13	7.01	31.1	31.2
Services	297.3	295.4	289.0	0.6	2.9						
Personal Services	15.5	15.5	14.9	0.5	4.4						
Business Services	68.3	67.5	66.9	1.2	2.0						
Repair Services	14.7	14.7	13.7	-0.1	7.9						
Health Services	79.1	79.1	78.0	0.0	1.4						
Hospitals	29.3	29.3	29.5	0.0	-0.6						
Nursing Homes	21.4	21.4	[illegible]	-0.1	-1.7						
Legal Services	9.6	9.6	9.1	0.0	5.4						
Private Education	16.8	16.1	16.6	4.2	0.9						
Government	170.1	165.7	165.6	2.6	2.7						
Federal	19.4	19.3	18.3	0.4	6.0						
State	51.8	50.6	51.3	2.4	1.0						
Education	29.1	28.1	28.0	3.7	3.9						
Local	98.8	95.8	96.0	3.2	2.9						
Education	53.7	50.9	52.4	5.4	2.3						

1/ Totals may not add because of rounding.

2/ Average earnings data are on a "gross" basis and are derived from reports of payroll for full and part-time production or nonsupervisory workers. The payroll is reported before deductions of any kind. Bonuses, retroactive pay, tips, payment in kind, and "fringe benefits" are excluded.

Analysis of Local Conditions

CENTRAL AND NORTHWEST MINNESOTA

By Ron Daws

LABOR FORCE ESTIMATES

AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	Feb. 1986	Jan. 1986	Feb. 1985	Feb. 1986	Jan. 1986	Feb. 1985	Feb. 1986	Jan. 1986	Feb. 1985
St. Cloud MSA 1/	**85,837**	**84,270**	**85,832**	**7,436**	**7,489**	**8,457**	**8.7**	**8.9**	**9.9**
REGION 1	**40,067**	**39,805**	**40,607**	**5,335**	**5,403**	**5,235**	**13.3**	**13.6**	**12.9**
Kittson	2,623	2,594	2,846	378	405	375	14.4	15.6	13.2
Marshall	5,152	5,116	5,342	1,186	1,198	1,097	23.0	23.4	20.5
Norman	3,526	3,473	3,675	441	408	404	12.5	11.7	11.0
Pennington	6,133	6,069	5,994	756	770	664	12.3	12.7	11.1
Polk	14,265	14,182	14,561	1,592	1,627	1,552	11.2	11.5	10.7
Red Lake	2,002	2,026	1,901	483	491	316	24.1	24.2	16.6
Rosseau	6,366	6,345	6,288	499	504	827	7.8	7.9	13.2
REGION 2	**29,490**	**29,133**	**30,333**	**4,279**	**4,220**	**3,834**	**14.5**	**14.5**	**12.6**
Beltrami	16,289	16,042	16,237	1,849	1,778	1,784	11.4	11.1	11.0
Clearwater	3,704	3,607	3,746	1,049	1,041	937	28.3	28.9	26.0
Hubbard	5,544	5,463	6,089	870	861	582	15.7	15.8	14.0
Lake of Woods	1,935	1,999	1,896	194	203	196	10.0	10.2	10.3
Mahnomen	2,018	2,022	2,365	317	337	335	15.7	16.7	14.2
REGION 4	**94,537**	**93,848**	**94,912**	**9,668**	**10,025**	**9,521**	**10.2**	**10.7**	**10.0**
Becker	11,553	11,505	11,651	1,903	2,033	1,761	16.5	17.7	15.1
Clay	27,228	27,102	26,228	2,000	1,998	1,783	7.3	7.4	6.8
Douglas	13,653	13,565	13,523	1,252	1,307	1,195	9.2	9.6	8.8
Grant	3,231	3,135	3,118	347	334	331	10.7	10.7	10.6
Otter Tail	23,220	23,101	24,203	2,663	2,807	3,016	11.5	12.2	12.5
Pope	4,678	4,636	4,706	565	590	508	12.1	12.7	10.8
Stevens	5,255	5,143	5,478	426	417	423	8.1	8.1	7.7
Traverse	2,245	2,201	2,404	220	206	205	9.8	9.4	8.5
Wilkin	3,474	3,460	3,601	292	333	299	8.4	9.6	8.3
REGION 5	**54,389**	**53,822**	**56,725**	**7,210**	**7,271**	**7,421**	**13.3**	**13.5**	**13.1**
Cass	8,680	8,514	9,252	1,513	1,523	1,442	17.4	17.9	15.6
Crow Wing	18,751	18,687	19,438	2,178	2,264	2,335	11.6	12.1	12.0
Morrison	12,819	12,622	13,338	1,793	1,721	1,894	14.0	13.6	14.2
Todd	9,594	9,479	10,021	1,135	1,149	1,152	11.8	12.1	11.5
Wadena	4,545	4,520	4,676	591	614	598	13.0	13.6	12.8
REGION 6E	**50,859**	**50,589**	**50,509**	**5,700**	**5,709**	**5,147**	**11.2**	**11.3**	**10.2**
Kandiyohi	16,911	16,951	17,379	1,542	1,562	1,621	9.1	9.2	9.3
McLeod	15,323	15,360	15,234	1,430	1,507	1,321	9.3	9.8	8.7
Meeker	9,243	8,976	8,328	1,682	1,522	1,062	18.2	17.0	12.8
Renville	9,382	9,302	9,568	1,046	1,118	1,143	11.1	12.0	11.9
REGION 7E	**55,460**	**55,232**	**54,891**	**6,217**	**6,295**	**5,949**	**11.2**	**11.4**	**10.8**
Chisago	17,067	16,948	16,486	1,540	1,545	1,435	9.0	9.1	8.7
Isanti	15,246	15,118	14,698	1,269	1,252	1,150	8.3	8.3	7.8
Kanabec	5,801	5,749	5,738	824	827	818	14.2	14.4	14.3
Mille Lacs	8,422	8,442	8,826	1,037	1,043	1,101	12.3	12.9	12.5
Pine	8,924	8,975	9,143	1,547	1,628	1,445	17.3	18.1	15.8
REGION 7W	**124,267**	**122,369**	**122,906**	**10,973**	**10,973**	**11,708**	**8.8**	**9.0**	**9.5**
Benton	13,291	13,034	13,256	1,200	1,193	1,323	9.0	9.2	10.0
Sherburne	16,671	16,415	16,422	1,711	1,765	1,658	10.3	10.8	10.1
Stearns	55,875	54,821	56,154	4,525	4,531	5,476	8.1	8.3	9.8
Wright	38,430	38,099	37,074	3,537	3,484	3,251	9.2	9.1	8.8

1/ Benton, Stearns, and Sherburne Counties

ST. CLOUD MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT			PERCENT CHANGE	
	Feb. 1986	Jan. 1986	Feb. 1985	Month Ago	Year Ago
Total Nonagricultural Wage & Salary	62336	62278	60480	0.1	3.1
Total Manufacturing	11056	10955	10392	0.9	6.4
Durable Goods	6022	5937	5995	1.4	0.5
Nondurable Goods	5034	5018	4397	0.3	14.5
Total Nonmanufacturing	51280	51323	50088	-0.1	2.4
Construction	2029	2104	2099	-3.6	-3.3
Transp., Comm. & Pub. Util.	3669	3684	3622	-0.4	1.3
Wholesale Trade	3130	3150	2948	-0.6	6.2
Retail Trade	14382	14537	14441	-1.1	-0.4
Finance, Insur. & Real Estate	2207	2211	2093	-0.2	5.5
Service & Miscellaneous	13283	13008	12801	2.1	3.8
Government	12580	12629	12084	-0.4	4.1

The economy of the St. Cloud MSA continues to remain healthier than it was a year ago. Unemployment is down and employment is up (slightly). Over the same February to February period the unemployment rate rose slightly in the State and Twin Cities MSA. The unemployment rate was also lower in February than it was in January. Last year the rate remained the same over the month.

Although there was little overall change among nonagricultural wage and salary industries from January to February, 1986, compared with 1985, there occurred several significant employment changes. Nondurable Goods Manufacturing exhibited the strongest employment increase over the year in adding 637 or 14.5 percent more jobs. Among the Nonmanufacturing firms, Wholesale Trade, Finance, Insurance, Real Estate (F.I.R.E.) and Government enjoyed the largest percentage employment gains in adding a combined total of 792 jobs. The large Service & Miscellaneous category gained 482 jobs over the year. Overall, there were 1,856 more Nonagricultural wage and salary jobs this February than last. The only employment loss worth mention occurred in Construction and could be attributed to normal seasonal fluctuation.

By all indications the St. Cloud MSA economy continues to remain healthy and there are no foreseeable indications to change that outlook.

Analysis of Local Conditions

NORTHEAST MINNESOTA

By Michael Casey

High unemployment continues to plague local labor markets throughout northeastern Minnesota. This despite the over-the-month decline from more than fifteen percent of the area's labor force being out of work in January, to "only" 14.3 percent in February. Even with this apparent improvement, joblessness in the the seven county region remained considerably above the statewide rate (not seasonally adjusted) of 7.6 percent. Rates of unemployment ranged from the 11.3 percent in Koochiching County to 18.2 percent in Lake County.

The employment level reflected a modest gain of about 500 additional jobs for February, compared with the January estimate. There were nearly 1,900 fewer employment possibilities, however, when February's employment was compared with that of one year ago. One measure of the lack of jobs available is a comparison of the job openings received at area Job Service Offices. For the eight-month period from July 1985 through February 1986, such openings had declined by some 46 percent compared with the same period one year earlier. The number of applicants actively seeking work at month's end, however, had fallen by only slightly more than one percent. Competition for available job openings, therefore, remained extremely high throughout the region.

LABOR FORCE ESTIMATES

AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	Feb. 1986	Jan. 1986	Feb. 1985	Feb. 1986	Jan. 1986	Feb. 1985	Feb. 1986	Jan. 1986	Feb. 1985
REGION 3	**134,225**	**135,032**	**138,056**	**19,190**	**20,507**	**21,145**	**14.3**	**15.2**	**15.3**
Aitkin	5,211	5,180	5,493	943	924	1,135	18.1	17.8	20.7
Carlton	10,893	10,931	11,380	1,732	1,791	1,496	15.9	16.4	13.1
Cook	2,233	2,254	2,445	254	253	300	11.4	11.2	12.3
Itasca	16,746	16,792	17,619	2,586	2,810	2,749	15.4	16.7	15.6
Koochiching	7,976	7,795	8,828	899	945	1,457	11.3	12.1	16.5
Lake	4,197	4,213	4,171	763	833	657	18.2	19.8	15.8
St. Louis	86,969	87,867	88,120	12,013	12,951	13,351	13.8	14.7	15.2
Duluth Only	**33,585**	**33,679**	**33,598**	**2,995**	**3,105**	**3,084**	**8.9**	**9.2**	**9.2**
Balance St. Louis	**53,384**	**54,188**	**54,522**	**9,018**	**9,846**	**10,267**	**16.9**	**18.2**	**18.8**

DULUTH AND DULUTH-SUPERIOR MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT

INDUSTRY	EMPLOYMENT DULUTH			PERCENT CHANGE		EMPLOYMENT DULUTH-SUPERIOR			PERCENT CHANGE	
	Feb. 1986	Jan. 1986	Feb. 1985	Mo. Ago	Yr. Ago	Feb. 1986	Jan. 1986	Feb. 1985	Mo. Ago	Yr. Ago
Total Nonagricultural Wage & Salary	**40,400**	**40,560**	**39,440**	**-0.4**	**2.4**	**80,610**	**80,650**	**79,510**	**-0.1**	**1.4**
Total Manufacturing	**3,480**	**3,420**	**3,450**	**1.8**	**0.8**	**6,640**	**6,600**	**6,640**	**0.6**	**0.0**
Durable Goods	1,600	1,520	1,700	5.5	-5.9	3,630	3,550	3,900	2.2	-7.0
Nondurable Goods	1,880	1,900	1,750	-1.1	7.4	3,010	3,050	2,730	-1.2	10.2
Total Nonmanufacturing	**36,930**	**37,140**	**35,990**	**-0.6**	**2.6**	**73,970**	**74,050**	**72,880**	**-0.1**	**1.5**
Construction	750	740	850	0.5	-11.6	1,820	1,910	1,850	-4.6	-1.7
Trans., Comm., & Pub. Util.	2,660	2,700	2,620	-1.5	1.6	5,320	5,410	5,500	-1.6	-3.3
Wholesale Trade	1,680	1,680	1,700	0.0	-1.2	3,570	3,540	3,480	0.7	2.5
Retail Trade	10,440	10,580	10,530	-1.3	-0.9	17,610	17,800	17,370	-1.1	1.4
Finan., Insur., & Real Est.	1,750	1,730	1,720	1.2	1.7	2,980	3,000	2,940	-0.8	1.5
Services, Mining, & Miscel.	11,500	11,600	11,080	-0.8	3.8	23,390	23,380	23,100	0.0	1.2
Government	9,840	9,790	9,200	0.4	6.9	19,280	19,000	18,640	1.5	3.4

Analysis of Local Conditions

SOUTHERN MINNESOTA

By Michael Casey

LABOR FORCE ESTIMATES									
AREA	CIVILIAN LABOR FORCE			UNEMPLOYMENT			UNEMP. RATE		
	Feb. 1986	Jan. 1986	Feb. 1985	Feb. 1986	Jan. 1986	Feb. 1985	Feb. 1986	Jan. 1986	Feb. 1985
REGION 6W	**25,294**	**24,927**	**26,807**	**2,896**	**2,699**	**2,791**	**11.4**	**10.8**	**10.4**
Big Stone	3,239	3,224	3,428	309	308	292	9.5	9.6	8.5
Chippewa	6,656	6,447	6,816	915	741	784	13.7	11.5	11.5
Lac Qui Parle	4,337	4,298	4,612	411	396	437	9.5	9.2	9.5
Swift	5,245	5,259	5,883	676	679	716	12.9	12.9	12.2
Yellow Medicine	5,817	5,699	6,068	585	575	562	10.1	10.1	9.3
REGION 8	**61,337**	**60,950**	**63,384**	**5,449**	**5,570**	**5,232**	**8.9**	**9.1**	**8.3**
Cottonwood	5,900	5,896	6,223	511	549	553	8.7	9.3	8.9
Jackson	6,251	6,064	6,178	759	676	445	12.1	11.1	7.2
Lincoln	3,258	3,230	3,490	333	336	331	10.2	10.4	9.5
Lyon	12,740	12,744	13,282	1,096	1,158	1,087	8.6	9.1	8.2
Murray	4,649	4,585	4,958	562	558	573	12.1	12.2	11.6
Nobles	10,522	10,466	10,832	874	892	886	8.3	8.5	8.2
Pipestone	5,355	5,256	5,598	317	305	342	5.9	5.8	6.1
Redwood	8,180	8,299	8,290	705	803	742	8.6	9.7	9.0
Rock	4,482	4,410	4,533	292	293	273	6.5	6.6	6.0
REGION 9	**108,897**	**107,790**	**109,238**	**9,232**	**9,105**	**8,963**	**8.5**	**8.4**	**8.2**
Blue Earth	27,323	26,899	27,454	1,804	1,719	1,686	6.6	6.4	6.1
Brown	13,460	13,430	13,516	1,230	1,284	1,309	9.1	9.6	9.7
Faribault	8,868	8,681	8,735	1,093	1,026	866	12.3	11.8	9.9
Le Sueur	10,725	10,607	10,212	1,299	1,298	1,210	12.1	12.2	11.8
Martin	12,199	12,037	12,436	1,128	1,059	1,055	9.2	8.8	8.5
Nicollet	14,391	14,311	14,628	824	924	929	5.7	6.5	6.4
Sibley	7,024	6,944	7,245	743	732	759	10.6	10.5	10.5
Waseca	9,381	9,360	9,105	716	677	665	7.6	7.2	7.3
Watonwan	5,526	5,521	5,907	395	386	484	7.1	7.0	8.2
REGION 10	**214,772**	**214,130**	**211,650**	**17,333**	**17,852**	**16,246**	**8.1**	**8.3**	**7.7**
Dodge	7,352	7,336	7,401	894	917	852	12.2	12.5	11.5
Fillmore	10,173	10,075	10,508	1,144	1,161	1,265	11.2	11.5	12.0
Freeborn	16,702	16,958	16,624	1,426	1,607	1,478	8.5	9.5	8.9
Goodhue	19,997	19,762	19,864	1,516	1,489	1,569	7.6	7.5	7.9
Houston	8,815	8,772	9,351	775	751	791	8.8	8.6	8.5
Mower	19,808	19,891	19,177	1,656	2,070	1,314	8.4	10.4	6.9
Olmsted	58,110	58,320	56,745	3,174	3,287	2,874	5.5	5.6	5.1
Rice	25,930	25,655	24,967	2,345	2,335	2,056	9.0	9.1	8.2
Steele	14,652	14,505	14,420	1,253	1,253	1,071	8.6	8.6	7.4
Wabasha	8,439	8,490	8,659	986	1,051	969	11.7	12.4	11.2
Winona	24,794	24,366	23,934	2,164	1,931	2,007	8.7	7.9	8.4
Rochester City	**35,327**	**35,446**	**34,384**	**2,135**	**2,196**	**1,836**	**6.0**	**6.2**	**5.3**

ROCHESTER MSA NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT					
INDUSTRY	EMPLOYMENT			PERCENT CHANGE	
	Feb. 1986	Jan. 1986	Feb. 1985	Month Ago	Year Ago
Total Nonagricultural Wage & Salary	**54,470**	**54,650**	**53,580**	**-0.3**	**1.7**
Total Manufacturing	**10,840**	**10,720**	**10,960**	**1.1**	**-1.1**
Durable Goods	8,990	8,870	9,290	1.4	-3.2
Nondurable Goods	1,850	1,850	1,670	0.0	10.6
Total Nonmanufacturing	**43,630**	**43,930**	**42,620**	**-0.7**	**2.4**
Construction & Mining	1,460	1,500	1,490	-3.0	-2.5
Transp., Comm., & Pub. Util.	1,820	1,810	1,840	0.5	-1.1
Wholesale Trade	1,160	1,220	1,210	-5.2	-4.5
Retail Trade	9,680	9,940	9,600	-2.6	0.8
Fin., Insur., & Real Estate	1,550	1,540	1,450	0.3	6.9
Total Services	22,180	22,160	21,450	0.1	3.4
Health Services	15,370	15,340	15,000	0.2	2.4
Other Services	6,810	6,820	6,440	-0.2	5.7
Government	5,800	5,760	5,580	0.7	3.9

The regional employment situation improved only slightly during February with employment levels increasing while the number of persons without jobs declined. Overall, the rate of unemployment edged downward by only 0.1 of one percentage point as an estimated 8.5 percent of the southern Minnesota labor force was out of work. While this was considerably higher than the statewide rate of 7.6 percent (not seasonally adjusted), it should be noted that the other areas of the state have even higher rates of unemployment. Only those counties including the Twin Cities and St. Cloud metropolitan areas are faring significantly better.

Even with comparatively low rates of unemployment, those seeking employment are still faced with fewer and fewer job openings. For the eight month period from July 1985 through February 1986 the number of openings received by area Job Service Offices had fallen 18.4 percent below the comparable period of one year earlier. Some 3,825 fewer openings were received, an average of nearly 500 fewer jobs each month. While job orders were declining, the supply of jobseekers, as measured by the number of registrations for work search through the Department's area offices, increased by more than 2,000 applicants, nearly ten percent above the year-ago level. Competition for the fewer jobs available is definitely intensifying.